

SENATE BILL 3284
By Crutchfield

AN ACT to amend Tennessee Code Annotated, Title 47, relative to
the Uniform Commercial Code.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-9-403(2)(c), is amended by
deleting the subsection in its entirety and substituting the following:

(c) Except as provided in subsection (2)(a) or (b) , and except as provided in
subsection (6), a filed financing statement is effective for five (5) years but a continuation
statement filed within the two (2) months following the end of the five (5) years shall be
retroactively effective and shall continue the security interest for another five (5) years
from the last date to which the previous filing was effective.

SECTION 2. Tennessee Code Annotated, Section 47-9-403(3), is amended by deleting
the subsection in its entirety and substituting the following:

(3) A continuation statement may be filed by the secured party at any time during
the last six (6) months that the financing statement or previous continuation statement is
effective and will be retroactively effective if filed during the two (2) months immediately
following the end of the five (5) year effectiveness of the previous financing statement or
continuation statement. Upon timely filing of the continuation statement, the
effectiveness of the original statement is continued for five (5) years after the last date to
which the previous filing was effective. Any such continuation statement must be signed
by the secured party, identify the original statement by file number and state that the

statement is still effective. A continuation statement signed by a person other than the secured party of record must be accompanied by a separate statement of assignment signed by the secured party of record and complying with § 47-9-405(2) including payment of the required fee. For filing purposes, a continuation statement must contain the file number of the original filing statement. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it immediately if he has retained a microfilm or other photographic record, or in other cases after one (1) year after the lapse. The filing officer shall so arrange matters by physical annexation of the financing statements to continuation statements or other related filings, or by other means, that if he physically destroys the financing statements which would have otherwise have lapsed, those which have been continued by a continuation statement or which are still effective under subsection (6) shall be retained.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.